

PRESS RELEASE

COMESA, Malawi Sign Euro 900,000 Sub-Delegation Agreement

Funds to be used for construction of the Mchinji Cross-Border Market

Lusaka, Friday, 24 May 2024: The Common Market for Eastern and Southern Africa (COMESA) Secretariat, and the Government of Malawi, have today signed a Euro 900,000 sub-delegation agreement to construct a cross-border market in Mchinji District, 20km from the Mchinji / Mwami One Stop Border Post.

COMESA Secretary General, Ms. Chileshe Mpundu Kapwepwe and the Minister of Trade and Industry, Hon. Sosten Gwengwe, signed the agreement in a virtual event.

The traders' market which is located in Mchinji District in Malawi, is funded by the European Union, under the 11 European Development Fund (EDF), Small Scale Cross Border Trade Initiative (SSCBTI). The SSCBTI supports the provision of gender sensitive basic infrastructure for use by small scale cross border traders.

The infrastructure to be constructed will include a market shelter, breastfeeding shelter, warehouse, shops, office block and public ablution block for the market. The provision of this market infrastructure is expected to boost formal small-scale cross-border trade flows between Malawi and Zambia. This will lead to higher revenue collection for governments, increased security and higher income for the small-scale cross-border traders.

The availability of border market infrastructure will increase the connection between traders and customers and lead to reduced losses, especially in perishable stock, according to an assessment carried out by consulting firm, IMANI Development in May 2017. The assessment was conducted at the following border posts; Kasumbalesa (DRC and Zambia), Chirundu (Zambia and Zimbabwe), Nakonde/Tunduma (Zambia and Tanzania), Mwami/Mchinji (Zambia and Malawi) and Moyale (Ethiopia and Kenya). The assessment identified basic workspace infrastructure at the border as a major requirement of small-scale traders.



In his remarks, Minister Gwengwe, applauded the Secretariat and the European Union for the support that has been given to the Government of Malawi. He promised to ensure that through this support, a well-designed structure will be built, through the selection of an appropriate construction firm to ensure that the market meets the needs of traders in Mchinji.

In her remarks, Ms. Kapwepwe noted: "The modalities of implementation of the sub-delegated activities provides an opportunity for Malawi to maximize the benefits of small-scale cross border trade with Zambia and other members of COMESA. This development comes at an opportune time for Malawi and will complement the increased trade expected at Mwami-Mchinji One Stop Border Post."

The parties to this agreement look forward to close collaboration of all stakeholders and ensure the swift implementation and completion of the project.

About COMESA

COMESA is a regional economic community established in 1994. It brings together 21 African Member States with a population of over 600 million people into a cooperative framework for sustainable economic growth and prosperity through regional integration. <u>https://www.comesa.int</u>

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